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TO RUEHC/SECSTATE WASHDC 8791
INFO RUEHZK/ECOWAS COLLECTIVE
RUCNMGH/MAGHREB COLLECTIVE
RUEHLO/AMEMBASSY LONDON 0857
RUEHMO/AMEMBASSY MOSCOW 0049
RUEHFR/AMEMBASSY PARIS 1215
RUEHDS/USMISSION USAU ADDIS ABABA

C O N F I D E N T I A L NOUAKCHOTT 000613

SIPDIS

E.O. 12958: DECL: 09/23/2014 TAGS: <u>BBSR ECON EINV MR PINR</u>

SUBJECT: C-C19-01825 RUSSIAN BUSINESS PRESENCE IN MAURITANIA

REF: A. STATE 088241

Classified By: CDA DENNIS HANKINS, REASON 1.4 B AND D

- 11. (C). As requested in REFTEL, Embassy Nouakchott reviewed current Russian business interests in Mauritania:
- 1A. Russia does not have a trade representative or office in Mauritania, and has no plans to establish such an office in the near future. There is an agreement between the Russian agency responsible for fisheries and the Mauritanian Ministry of Fisheries to facilitate trade and training in the Mauritanian fishing sector.
- 1B. There is currently an agreement for onshore exploration of oil and natural gas fields in Mauritania with the British-Russian group IPG (International Petroleum Group). IPG has a concession to conduct surveys of hydrocarbon resources in the interior of Mauritania, and there are about a dozen Russian geologists working on this project. This is currently the only sizeable Russian business investment in Mauritania.
- ¶C. Rough estimates of Russian trade for 2008 indicate Russia imported between USD 20-30 million of fish products from Mauritania. Russia exported between USD 10-15 million of Russian products to Mauritania, predominantly large industrial machinery for use in the mining and petroleum exploration industries.
- 1D. Russian investment in Mauritania has been minimal. The Russian Embassy claims trade has been fairly static, with no planned expansion. They also played down the role of Russian investments in the natural gas and petroleum industries. A senior contact in the Mauritanian Ministry of Petroleum and Energy indicated that Gazprom is interested in investing in the natural gas industry and that the number two executive of Gazprom will soon be visiting Mauritania to discuss investment opportunities. This contact confidentially said there have been talks to have President Medvedev visit Mauritania to discuss expanded Russian investment in Mauritanian hydrocarbon industries. (Comment: As the Mauritanian Ministry of Petroleum and Energy struggles to find investors in the energy field, it is not uncommon for the Ministry to broadcast an overconfident estimate of petroleum reserves and international interest in Mauritanian investments, therefore such pronouncements cannot be confirmed as more than rumor at this time. End Comment
- 1E. The Mauritanian Ministry of Petroleum and Energy is actively seeking international investment from many players, including Russia. There have been no efforts to develop a tourism industry specifically for Russian citizens.
- 1F. During the Cold War, Russia had an active scholarship program to educate Mauritanian doctors and engineers in the

Soviet Union. Russia still grants about 8-10 annual scholarships for graduate studies in Russia. As a result, approximately 150-200 Russian citizens reside in Mauritania, mostly spouses and children of Mauritanian citizens who studied in the USSR. There are less than 20 full-time Russian residents in Mauritania engaged in business interests.